



Luther S. Olsen

State Senator

14th District

TO: Senate Committee on Insurance, Financial Services, Constitution and Federalism

FROM: Senator Luther Olsen

DATE: February 14, 2018

SUBJECT: Testimony in favor of Senate Bill 730

Thank you Chairman Craig and the Senate Committee on Insurance, Financial Services, Constitution and Federalism for holding a hearing and allowing me to testify in favor of Senate Bill 730.

Senate Bill 730 makes changes to condominium law to protect consumers and their property rights. We have worked with stakeholders to come up with an amendment that does eliminate a lot of the original language. My testimony will be focused on what the bill has been narrowed down to.

Current law makes it difficult for mortgage holders to amend a condominium association declaration, which are the basic rules of the association as drafted by the developer. Condo unit holders may want to amend the declaration that is no longer reasonable or out-of-date, but the amendments must be approved by the mortgage holder, which often does not respond.

This legislation streamlines the process by creating a 60-day passive review. Amendments must be sent to the mortgage holder, and if there is no response within 60 days, then the amended declaration is approved. The unit owner or association must send the notice by certified mail to insure it is delivered.

Thank you, members. I ask for your support and would be more than happy to answer any questions.



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WISCONSIN STATE REPRESENTATIVE

41ST ASSEMBLY DISTRICT

SB 730: Changes to Condominium Law
Testimony of State Representative Joan Ballweg
Senate Committee on Insurance, Financial Services, Constitution, and Federalism
February 14th, 2018

Thank you, Chair Craig and members of the committee, for holding this public hearing on Senate Bill 730.

First, I want to highlight that we have had many conversations with various stakeholders and as a result of those conversations have introduced an amendment to this legislation. My testimony will be based on the bill as amended. Senate Amendment 2 removes several sections of the bill but retains one provision that we believe will protect consumers and their property rights while reasonably addressing the feedback we received.

As amended, SB 730 streamlines the process for a condo association to amend their declaration. Condo association declarations are the basic rules of the association as drafted by the developer. Condo unit holders may wish to amend a declaration that is no longer reasonable or out-of-date, but amendments must be approved by the mortgage holder, who often does not respond. This makes it very difficult to amend any declaration.

SB 730 creates a 60-day passive review period for amendments. Any amendment must be sent to the mortgage holder through certified mail, and if there is no response within 60 days, the amended declaration is approved. This allows reasonable time for the mortgage holder to respond to the request, and it allows the association to move forward if they do not receive responses.

The Community Association Institute of Wisconsin supports this bill.

Thank you for your consideration of SB 730. I am happy to answer any questions that you may have.